

Built for success, positioned for growth



Fourth Quarter 2014 Conference Call

February 17, 2015

Forward-Looking Statements



This presentation contains forward-looking statements that involve risks, uncertainties and assumptions that could cause our results to differ materially from those expressed or implied by such forward-looking statements. All statements, other than statements of historical fact, are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, including, without limitation, any statements regarding our strategy; any statements regarding future utilization; any projections of financial items; future operations expenditures; any statements regarding the plans, strategies and objectives of management for future operations; any statement concerning developments; any statements regarding future economic conditions or performance; any statements of expectation or belief; and any statements of assumptions underlying any of the foregoing. The forward-looking statements are subject to a number of known and unknown risks, uncertainties and other factors including but not limited to the performance of contracts by suppliers, customers and partners; actions by governmental and regulatory authorities; operating hazards and delays; our ultimate ability to realize current backlog; employee management issues; complexities of global political and economic developments; geologic risks; volatility of oil and gas prices and other risks described from time to time in our reports filed with the Securities and Exchange Commission ("SEC"), including the Company's most recently filed Annual Report on Form 10-K and in the Company's other filings with the SEC, which are available free of charge on the SEC's website at www.sec.gov. We assume no obligation and do not intend to update these forward-looking statements except as required by the securities laws.

Social Media

From time to time we provide information about Helix on Twitter ([@Helix ESG](https://twitter.com/Helix_ESG)) and LinkedIn (www.linkedin.com/company/helix-energy-solutions-group).

Presentation Outline



- **Executive Summary** (pg. 4)
- **Operational Highlights by Segment** (pg. 8)
- **Key Balance Sheet Metrics** (pg. 13)
- **2015 Outlook** (pg. 16)
- **Non-GAAP Reconciliations** (pg. 22)
- **Questions & Answers**



Work class ROV XLX – 88

Executive Summary



Q5000 under construction in Singapore

Executive Summary



(\$ in millions, except per share data)

	Three Months Ended			Year Ended	
	12/31/2014	12/31/2013	9/30/2014	12/31/2014	12/31/2013
Revenues	\$ 207	\$ 227	\$ 341	\$ 1,107	\$ 877
Gross profit:	\$ 33 16%	\$ 71 31%	\$ 126 37%	\$ 344 31%	\$ 261 30%
Net income from continuing operations	\$ 8	\$ 37	\$ 76	\$ 195	\$ 109
Net income from discontinued operations	\$ -	\$ -	\$ -	\$ -	\$ 1
Diluted earnings per share:					
Continuing operations	\$ 0.08	\$ 0.35	\$ 0.71	\$ 1.85	\$ 1.03
Discontinued operations	\$ -	\$ -	\$ -	\$ -	\$ 0.01
Adjusted EBITDA ^(A)					
Business Segments	\$ 54	\$ 93	\$ 148	\$ 419	\$ 336
Corporate / Elimination	(15)	(11)	(11)	(41)	(68)
Adjusted EBITDA from continuing operations	\$ 39	\$ 82	\$ 137	\$ 378	\$ 268

(A) See non-GAAP reconciliations on slide 23.

Executive Summary



- Q4 2014 earnings per diluted share of \$0.08 per diluted share compared to \$0.71 per diluted share in Q3 2014
- 67% utilization of well intervention vessels in the fourth quarter
- Q4000 at 86% utilization for Q4 primarily due to mechanical problems related to the redeployment of its intervention riser system
 - The vessel also worked at reduced rates after downtime due to repairs incurred after being struck by a supply boat
- H534 utilized 42% during Q4; vessel was idle for 39 days and out of service an additional 14 days for regulatory inspection
- Combined utilization of 69% across North Sea well intervention fleet during the quarter
- Skandi Constructor completed regulatory dry dock
- Seawell entered dry dock in December, which is expected to continue into April 2015
- Robotics vessels and ROVs utilized 79% and 73%, respectively, during the fourth quarter

Executive Summary



Balance sheet

- Liquidity* of \$1.1 billion at 12/31/2014
- Cash and cash equivalents totaled \$476 million at 12/31/2014
- Net debt of \$75 million at 12/31/2014
- See updated debt maturity profile on slide 14

* We define liquidity as the total of cash and cash equivalents (\$476 million) plus unused capacity under our revolving credit facility (\$584 million).

R-BAR

Operational Highlights



Business Segment Results



(\$ in millions)

	Three Months Ended								
	12/31/2014		12/31/2013		9/30/2014				
Revenues									
Well Intervention	\$	122	\$	133	\$	205			
Robotics		81		90		132			
Production Facilities		22		19		24			
Subsea Construction		-		2		-			
Intercompany Eliminations		(18)		(17)		(20)			
Total Revenue	\$	207	\$	227	\$	341			
Gross Profit									
Well Intervention		14	12%	41	31%	84	41%		
Robotics		11	14%	19	21%	32	24%		
Production Facilities		8	38%	10	61%	11	45%		
Subsea Construction		-	--	3	142%	-	--		
Eliminations / Other		-		(2)		(1)			
Total Gross Profit	\$	33	16%	\$	71	31%	\$	126	37%

- 67% utilization for the well intervention fleet
- *Skandi Constructor* completes regulatory dry dock; *Seawell* enters dry dock in December
- Robotics realized 61 days of utilization from spot vessels in the quarter; total vessel utilization of 79% including long-term chartered vessels



Helix 534

Well Intervention

Gulf of Mexico

- Q4000 was 86% utilized during Q4 due to mechanical problems with its intervention riser system; the vessel also worked at reduced rates while making minor repairs as a result of being struck by a supply boat
- Helix 534 was 42% utilized during the quarter – vessel was idle for 39 days, plus an additional 14 days out of service for regulatory inspection
- IRS no. 2 on hire for the entire quarter

North Sea

- Combined utilization of 69% across all three vessels during Q4 on a variety of well intervention projects
- Seawell fully utilized until entering dry dock in December for refit
- Skandi Constructor completed its regulatory dry dock in December for recertification
- Well Enhancer engaged in North Sea projects until departure to Spain for first ever well intervention project in the Mediterranean



NOV tower being installed on the Q5000

Robotics

- 79% chartered vessel fleet utilization in Q4
 - 61 days utilized on spot vessels
- 73% utilization for ROVs, trenchers and ROVDrill
- *Olympic Canyon* fully utilized in India during Q4
- *REM Installer* transited to the GOM in October and performed 40 days of ROV support projects for multiple clients during the remainder of the quarter
- *Grand Canyon I* completed a cable burial project in the German sector of the North Sea with *i-Trencher* and *T1200*; then transited to the Middle East and commenced a multi-month cable burial project offshore Qatar in December
- *Deep Cygnus* completed crane maintenance in October, mobilized *T1500* and performed 57 days of trenching scopes during the quarter
- *Maersk Responder* and *Maersk Lifter* (spot vessels) completed 2014 trenching campaigns in the North Sea, demobilized and were returned to vessel owners in October

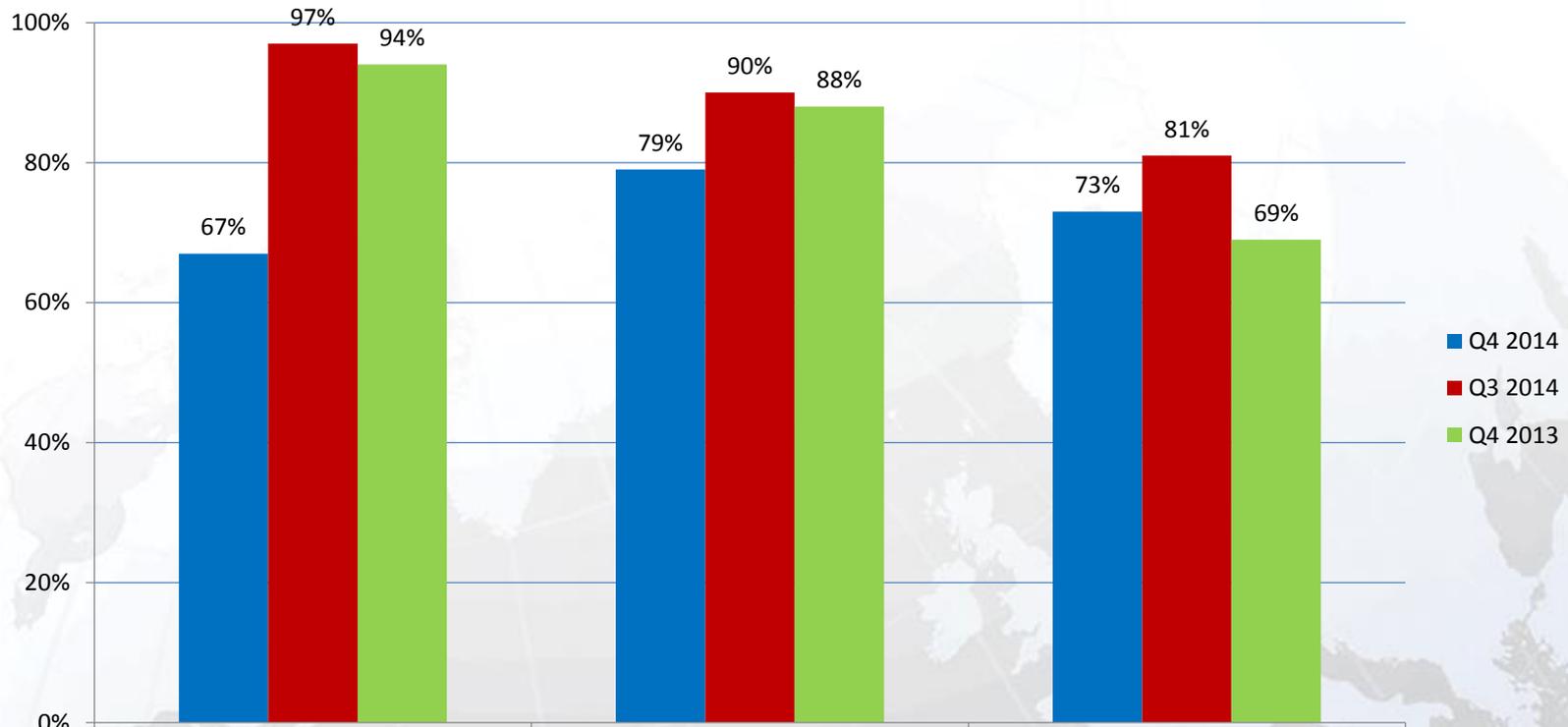


T-1200 Trencher



ROVDrill at Apache 1

Utilization



Well Intervention Vessels

- Seawell
- Well Enhancer
- Q4000
- Skandi Constructor ⁽¹⁾
- H534

ROV and Trencher Support Vessels

- Olympic Canyon ⁽¹⁾
- Deep Cygnus ⁽¹⁾
- Olympic Triton ^(1,2)
- Grand Canyon ⁽¹⁾
- REM Installer ⁽¹⁾
- Spot vessels ^(1,3)

ROVs and Trenchers

- 50 ROVs
- 2 ROVDrill Units
- 5 Trenchers

(1) Chartered vessel

(2) Vessel returned to owner in September 2014.

(3) Robotics chartered various spot vessels during Q4 of 2014 for a total of 61 days.



Key Balance Sheet Metrics

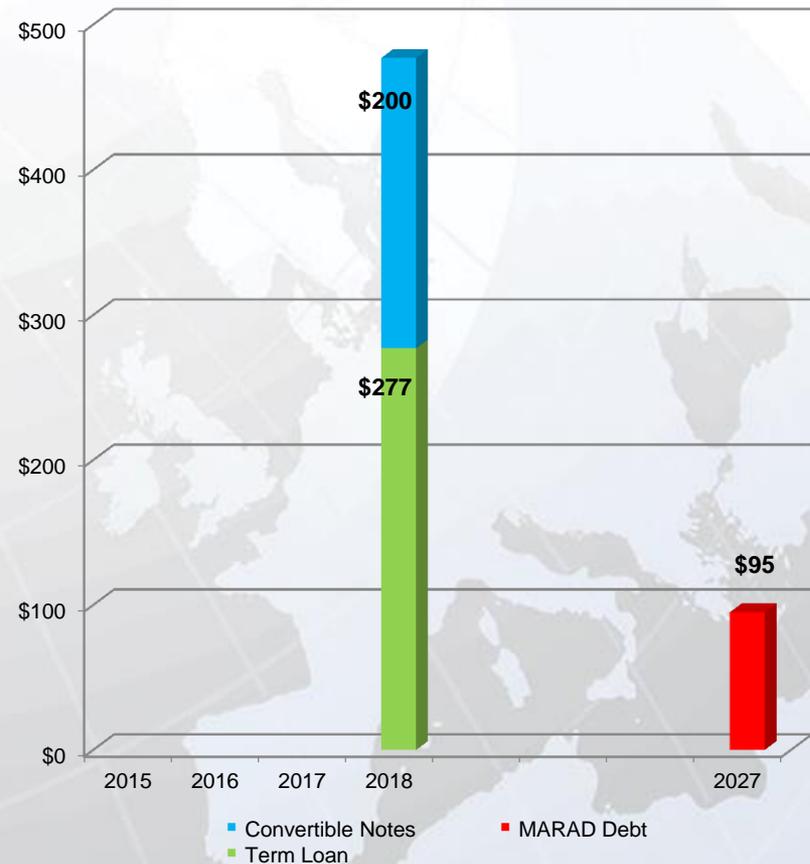
Debt Instrument Profile



Total funded debt of \$572 million at end of Q4 2014:

- \$200 million Convertible Senior Notes – 3.25% ^(A)
(\$179 million net of unamortized debt discount)
- \$277 million Term Loan – LIBOR + 2.25% ^(B)
 - Annual amortization payments of 5% in years 1 and 2, 10% per annum in years 3 through 5
- \$95 million MARAD Debt – 4.93%
 - Semi-annual amortization payments

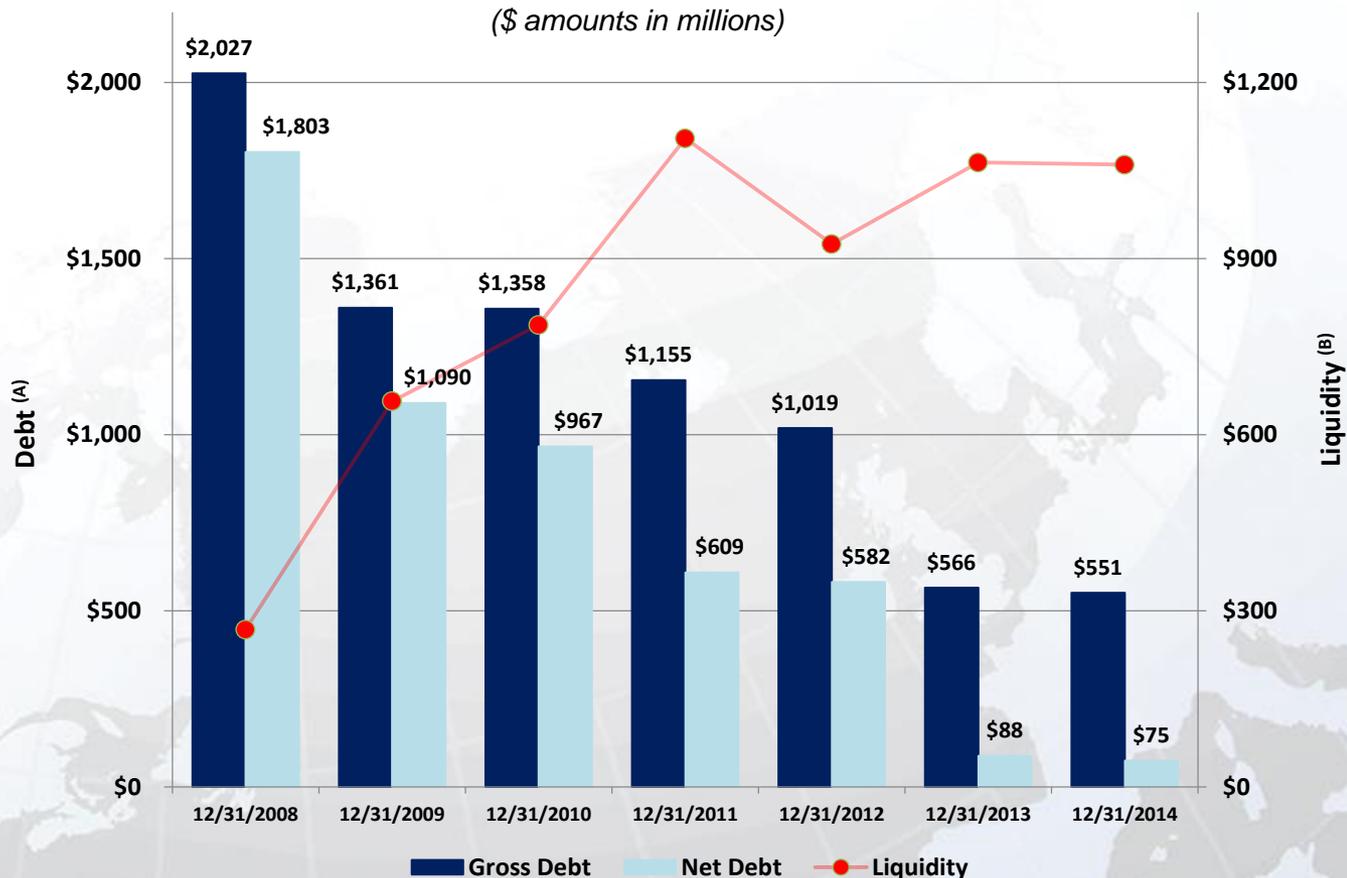
Debt Instrument Profile at 12/31/2014
(\$ amounts in millions)



(A) Stated maturity 2032. First put / call date is March 2018.

(B) We have fixed through October 2016 the LIBOR interest rate on 50% of the Term Loan debt at 0.75% utilizing interest rate swaps.

Debt and Liquidity Profile



Liquidity of approximately \$1.1 billion at 12/31/2014

- (A) Includes impact of unamortized debt discount under our convertible senior notes.
- (B) We define liquidity as the total of cash and cash equivalents (\$476 million) plus unused capacity under our revolving credit facility (\$584 million).



2015 Outlook

2015 Outlook



2014 in Review

- 2014 was an outstanding year for Helix, exceeding our own expectations with \$378 million of EBITDA
- Both the Well Intervention and Robotics business segments posted record results
- Excluding one-time items and the favorable impact of the extraordinary margins earned off of the *Skandi Constructor's* “out-of-market” campaigns, a more normalized 2014 EBITDA result would have been closer to \$350 million
- Funded \$368 million of capex (mostly growth) internally

Moving Ahead to 2015

- 2015 will be a challenging year as a result of the following factors:
 - Collapse in oil prices drives a reduction in spending by our customers across the supply chain; Helix will not be immune. Our customers are aggressively cutting spending and certain of our customers are seeking to renegotiate contracts, defer contracted work into later periods, as well as seeking to cancel contracts even with cancellation fees.
 - The sharp decline in the U.K. sterling versus the dollar is expected to impact our North Sea based operations by approximately \$15 – \$20 million (EBITDA)
 - Above average dry docking this year is estimated to impact our results another \$30 million in EBITDA (*Seawell, Q4000, and H534*)

2015 Outlook



Moving Ahead to 2015 – cont'd

- Lower oil prices will reduce our “tolling” revenues from the Production Facilities business by an estimated \$10 million
- Q5000 expected to be completed in Q1 and available for service in Q3 of 2015

The current market environment with the collapse in oil prices renders the 2015 outlook challenging, as well as impossible to forecast with any degree of clarity. The combination of factors cited above will produce a 2015 year below 2014 results. We caution that the market situation is very dynamic and therefore we cannot quantify with any degree of certainty, but to say that 2015 is likely to be well below 2014 results.

2015 Outlook



- Total backlog as of December 31, 2014 was approximately \$2.3 billion, of which approximately \$2.1 billion is associated with our Well Intervention and Robotics businesses⁽¹⁾
- Both the *Q4000* (excluding dry dock) and the *Well Enhancer* are expected to have good utilization in 2015
- A recent customer cancellation (with penalty) for the *H534* has left a gap in its schedule; however there is work for the vessel in Q2 / Q3
- The *Seawell* and *Skandi Constructor* are expected to have lower levels of utilization in 2014

(1) This year end number is subject to customer cancellation and other modifications which is more likely in the current industry environment.

2015 Outlook



- Robotics market impacted by the same macro conditions impacting energy markets; record 2014 unlikely to be matched in 2015
- *Olympic Canyon* to continue operations offshore India under firm commitment through June, with two 6-month options remaining on current contract with customer in India
- *Grand Canyon I*, *T1200* and *i-Trencher* to complete current cable burial project offshore Qatar Q2 2015 and has backlog for several trenching projects during the summer season
- Lower activity associated with spot market vessels, as the long-term chartered fleet increases to six vessels by Q3 2015 with *Grand Canyon II* and *III* entering the fleet
- Vessels serving this segment of the market are well over-supplied, but our trenching capabilities provide some stability
- While we don't expect Robotics to achieve 2014 record performance, 2015 results should still produce decent results, somewhere between 2013 and 2014 numbers

2015 Outlook – Capex



- 2015 capex budget of approximately \$400 million consisting of the following⁽¹⁾:
- \$305 million in growth capital; primarily for newbuilds currently underway, including:
 - \$170 million for *Q5000* (includes \$15 million contingency)
 - \$40 million for *Q7000*
 - \$65 million for *Siem Helix #1* and 2 monohull vessels
 - \$15 million in Robotics
 - \$15 million for new subsea equipment, including jointly owned with OneSubsea
- \$35 million remaining on the *Seawell* refit in 2015
- \$60 million in maintenance capital
 - \$35 million for the *Q4000* and *H534* dry dock
 - \$20 million in IRS maintenance, spares and upgrades
 - \$3 million in Robotics maintenance
 - \$2 million in other

(1) Although we have budgeted \$400 million, we are seeking to reduce aggregate capex in 2015 whenever possible.

Non-GAAP Reconciliations



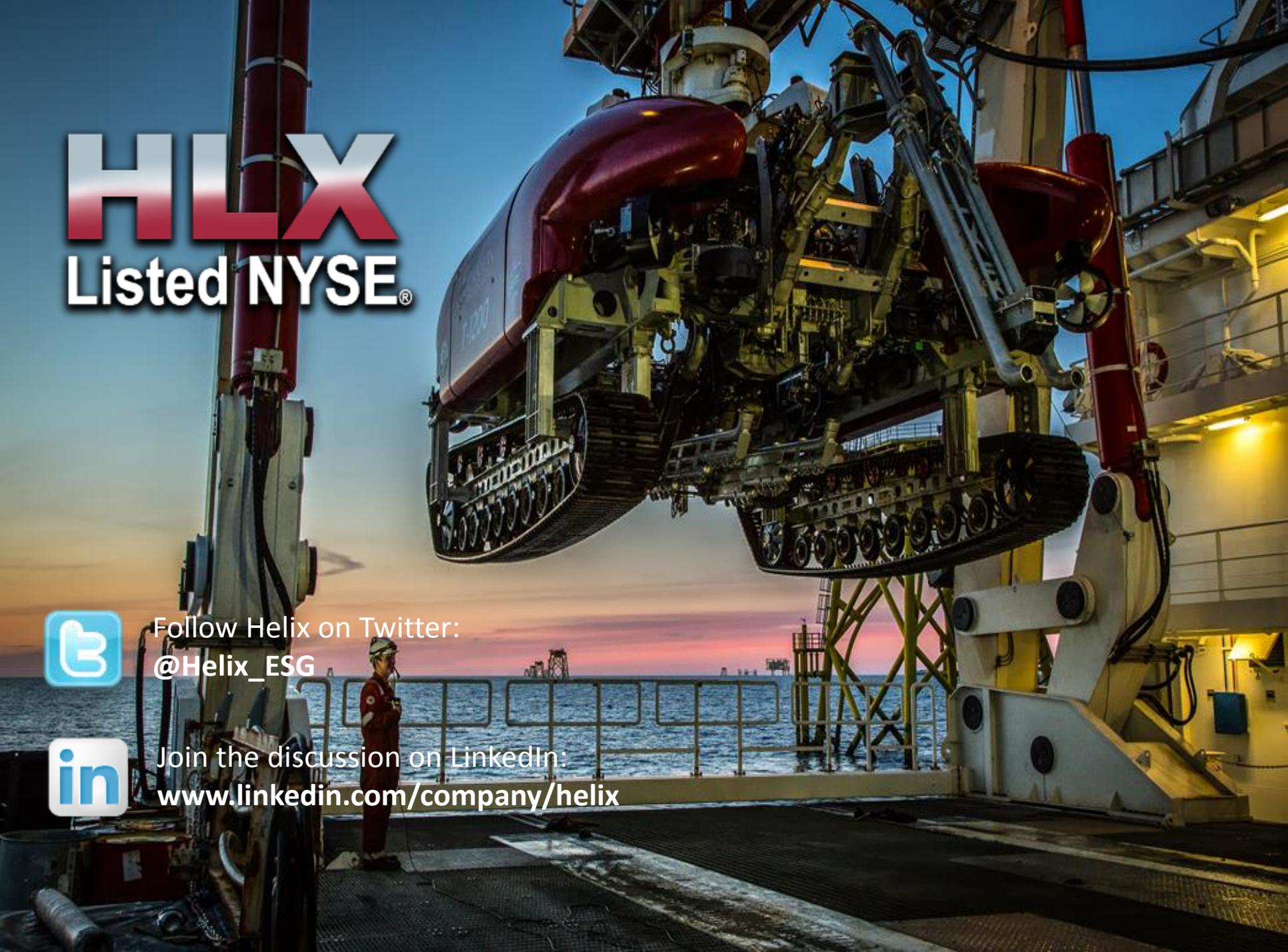
Non-GAAP Reconciliations



(\$ in millions)

	Three Months Ended			Year Ended	
	12/31/2014	12/31/2013	9/30/2014	12/31/2014	12/31/2013
Net income from continuing operations	\$ 8	\$ 37	\$ 76	\$ 196	\$ 112
Adjustments:					
Income tax provision (benefit)	(1)	16	30	67	32
Net interest expense and other	4	3	3	17	45
Depreciation and amortization	<u>28</u>	<u>27</u>	<u>28</u>	<u>109</u>	<u>98</u>
EBITDA	<u>\$ 39</u>	<u>\$ 83</u>	<u>\$ 137</u>	<u>\$ 389</u>	<u>\$ 287</u>
Adjustments:					
Noncontrolling interests	-	(1)	-	(1)	(4)
(Gain) loss on disposition of assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>(10)</u>	<u>(15)</u>
Adjusted EBITDA from continuing operations	<u>\$ 39</u>	<u>\$ 82</u>	<u>\$ 137</u>	<u>\$ 378</u>	<u>\$ 268</u>

We calculate Adjusted EBITDA from continuing operations as earnings before net interest expense and other, taxes, depreciation and amortization. This non-GAAP measure is useful to investors and other internal and external users of our financial statements in evaluating our operating performance; it is widely used by investors in our industry to measure a company's operating performance without regard to items which can vary substantially from company to company, and help investors meaningfully compare our results from period to period. Adjusted EBITDA from continuing operations should not be considered in isolation or as a substitute for, but instead is supplemental to, income from operations, net income and other income data prepared in accordance with GAAP. Non-GAAP financial measures should be viewed in addition to, and not as an alternative to our reported results prepared in accordance with GAAP. Users of this financial information should consider the types of events and transactions which are excluded from this measure.

A large red and white tracked vehicle is being hoisted by a crane on an offshore oil platform. The scene is set at sunset, with a worker in a red uniform visible in the background. The sky is a mix of orange, pink, and blue.

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